

AMENDED IN SENATE JULY 10, 2013

AMENDED IN ASSEMBLY MAY 8, 2013

AMENDED IN ASSEMBLY APRIL 24, 2013

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 628

Introduced by Assembly Members Gorell and Hall
(Coauthors: Assembly Members Brown and V. Manuel Pérez)

February 20, 2013

An act to add Section 63045.2 to the Government Code, and to add Chapter 13 (commencing with Section 25990) to Division 15 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 628, as amended, Gorell. Energy management plans for harbor and port districts.

(1) Existing law requires the California Infrastructure Development Bank, following consultation with appropriate state and local agencies, to establish criteria, priorities, and guidelines for the selection of projects to receive assistance from the bank, including those based on, among other things, the State Environmental Goals and Policy Report, or its successor, relating to implementation of state environmental goals and policies. Existing law further requires that projects that receive assistance from the bank, among other things, facilitate effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources.

This bill would authorize the bank to fund projects to promote economic development in harbor and port districts that are ~~developed~~ *implemented* pursuant to an energy management plan, and would require the bank to consider appropriate ~~action~~ *actions* that it may take to facilitate the financing of those projects.

(2) Existing law requires the State Energy Resources Conservation and Development Commission to adopt energy conservation standards to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, and to implement various programs to provide financial assistance to specified entities for energy efficient improvements.

This bill would authorize specified harbor and port districts, as defined, in collaboration with an electrical corporation, gas corporation, or publicly owned electric utility serving the district, to prepare one or more energy management plans to reduce air emissions and promote economic development through the addition of new businesses and the retention of existing businesses in the district. The bill would require, if a district prepares an energy management plan pursuant to these provisions, that the plan include specified provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares all of the*
- 2 *following:*
- 3 *(a) The state promotes the efficient use of low-cost,*
- 4 *low-emissions energy sources in the operations of its ports and*
- 5 *harbors.*
- 6 *(b) There is an opportunity in port and harbor district*
- 7 *operations, including the movement of commercial goods, to reduce*
- 8 *vehicular emissions of greenhouse gases and criteria pollutants.*
- 9 *(c) The state encourages the development of new businesses*
- 10 *and the retention of existing businesses within port and harbor*
- 11 *district boundaries.*
- 12 *(d) Energy utility customers located within the state's port and*
- 13 *harbor districts may benefit from the addition of new businesses*
- 14 *and the retention of existing businesses through increased energy*
- 15 *cost certainty.*

1 (e) *Businesses located within the state's port and harbor districts*
2 *may benefit through greater stability and certainty in the cost of*
3 *energy services.*

4 (f) *Investor-owned and publicly owned utilities are in an optimal*
5 *position, and are encouraged to engage in joint projects with port*
6 *and harbor districts to provide and administer energy-related*
7 *service alternatives and programs that may promote economic*
8 *development and retention in those districts.*

9 **SECTION 1.**

10 SEC. 2. Section 63045.2 is added to the Government Code, to
11 read:

12 63045.2. Projects to promote economic development in harbor
13 and port districts implemented pursuant to an energy management
14 plan developed in accordance with Chapter 13 (commencing with
15 Section 25990) of Division 15 of the Public Resources Code shall
16 be eligible for funding under this division. The bank shall consider
17 appropriate actions that it may take to facilitate the financing of
18 those projects.

19 ~~SEC. 2.~~

20 SEC. 3. Chapter 13 (commencing with Section 25990) is added
21 to Division 15 of the Public Resources Code, to read:

22
23 CHAPTER 13. ENERGY MANAGEMENT PLANS FOR HARBOR AND
24 PORT DISTRICTS

25
26 ~~25990. The Legislature finds and declares all of the following:~~

27 ~~(a) The state should promote the efficient use of low-cost,~~
28 ~~low-emissions energy sources in the operations of its ports and~~
29 ~~harbors.~~

30 ~~(b) There is an opportunity in port and harbor district operations,~~
31 ~~including the movement of commercial goods, to reduce vehicular~~
32 ~~emissions of greenhouse gases and criteria pollutants.~~

33 ~~(c) The state should encourage the development of new~~
34 ~~businesses and the retention of existing businesses within port and~~
35 ~~harbor district boundaries.~~

36 ~~(d) Energy utility customers located within the state's port and~~
37 ~~harbor districts can benefit from the addition of new businesses~~
38 ~~and the retention of existing businesses through increased energy~~
39 ~~cost certainty.~~

~~(e) Businesses located within the state's port and harbor districts could benefit through greater stability and certainty in the cost of energy services.~~

~~(f) Investor-owned and publicly owned utilities are in an optimal position, and should be encouraged to engage in joint projects with port and harbor districts to provide and administer energy-related service alternatives and programs that can promote economic development and retention in those districts.~~

~~25991.~~

25990. (a) For purposes of this chapter, the term "district" shall mean a harbor or port district formed pursuant to Division 8 (commencing with Section 5000) of the Harbors and Navigation Code, the Humboldt Bay Harbor, Recreation and Conservation District, the Ports of Hueneme, Oakland, Long Beach, Los Angeles, Redwood City, Richmond, San Diego, San Francisco, Stockton, and West Sacramento, and any other harbor, recreation, and conservation district that operates a harbor or port in the state. A district may prepare one or more energy management plans, developed jointly with an electric corporation, as defined in subdivision (a) of Section 218 of the Public Utilities Code, a gas corporation, as defined in Section 222 of the Public Utilities Code, or a public utility, as defined in subdivision (a) of Section 216 of the Public Utilities Code, that produces, generates, or supplies electricity to the public and that serves the district in order to reduce air emissions, promote economic development, and encourage the development of new businesses and retain existing businesses in that district.

(b) If a district prepares an energy management plan pursuant to this chapter, it shall include, at a minimum, all of the following:

(1) An assessment of current energy consumption within the district by energy source and type of users. Examples of users may include commercial, industrial, governmental, ships, individual transport, and product transport.

(2) An assessment of other energy efficiency and management issues the district determines to evaluate in order to inform the development of specific goals and actions that reduce air emissions and promote economic development, including all of the following:

(A) An electric or natural gas load forecast, developed in coordination with the serving electrical corporation, gas

1 corporation, or local publicly owned electric utility, and that
2 reflects anticipated load growth within the district.

3 (B) An assessment of the role that distributed generation,
4 combined with accurately priced utility services, could play in
5 providing greater rate stability and energy cost certainty to aid in
6 economic development, and proposed actions with respect to that
7 role. This assessment shall be developed jointly with the serving
8 electrical corporation, gas corporation, or local publicly owned
9 electric utility.

10 (C) An assessment, in consultation with business and industry,
11 that identifies current and emerging processes and technologies to
12 reduce energy consumption and improve energy efficiency.

13 (D) An assessment, in consultation with business and industry,
14 that identifies domestic and international shipping requirements
15 and operations related to energy use and consumption.

16 (3) A set of measurable energy performance and management
17 goals that reduce air ~~pollution~~ *emissions* and promote economic
18 development, and a prioritized list of infrastructure projects, public
19 education initiatives, and other actions that the district will
20 undertake to achieve those goals.

21 (4) A list of recommendations, developed jointly with the
22 serving electrical corporation, gas corporation, or local publicly
23 owned electric utility, for the enhanced use of cost-effective energy
24 efficiency and demand-side management in existing buildings and
25 the inclusion of energy efficiency measures as part of the
26 development of new buildings.

27 (5) A description of measures to be taken to reduce air emissions
28 for vehicle use within district boundaries, including vehicles used
29 for movement of commercial products. Proposed actions,
30 developed jointly with the serving electrical corporation, gas
31 corporation, or local publicly owned electric utility, may include
32 replacement of vehicles with lower emitting alternatives and
33 development of infrastructure, in appropriate areas, to aid in the
34 refueling of alternative fuel ~~vehicles, and may provide for utility~~
35 ~~ownership or operation of those facilities to provide services within~~
36 ~~the district. vehicles.~~

37 ~~(6) Other proposed actions and associated utility services that~~
38 ~~may be implemented in connection with the jointly developed~~
39 ~~energy management plan.~~

40 (7)

(6) A summary identifying governmental and nongovernmental impediments to implementation of the plan that includes recommendations on how these impediments may be overcome.

(8)

(7) A description of one-year, 3-year, 5-year, 10-year, and 15-year objectives for implementation of the plan. These objectives shall be in sufficient detail to allow the district to undertake a meaningful annual review of the plan's progress.

(9)

(8) Proposed methods to fund the activities included in the plan, including funding through utility ratepayer-funded programs and financing through the California Infrastructure and Economic Developmental Bank established pursuant to ~~Chapter 3 (commencing with Section 63050)~~ of Division 1 (*commencing with Section 63000*) of Title 6.7 of the Government Code, the California Alternative Energy and Advanced Transportation Financing Authority Act (Division 16 (commencing with Section 26000)), or other appropriate sources.

(10)

(9) Other related energy plans, mandates, and requirements, and, to the extent possible, leverage opportunities for achieving energy efficiency and sustainable energy production, while not overburdening impacted businesses.

(c) A district that prepares a plan shall engage with small business technical assistance providers to assist in the identification of joint or collaborative energy efficiency project opportunities, public education activities, and financing opportunities that implement the actions and projects in the plan.

~~(d) (1) If a district has jointly developed with an electric or gas corporation one or more plan elements under a plan prepared pursuant to subdivision (b) that involves special programs to be offered in the district and administered by the electric or gas corporation to facilitate emissions reductions, increase energy efficiency, or promote economic development, including, but not limited to, the use of biogas for direct injection into common carrier pipelines, economic development rates, distributed generation, energy storage, and alternative fuel vehicle infrastructure, the Public Utilities Commission shall provide expedited review of the proposed jointly developed elements of the plan.~~

(2)

1 (d) The Public Utilities Commission shall encourage electric or
2 gas corporations to participate jointly with local agencies in
3 developing, implementing, and administering viable energy
4 management plans for ~~districts, and shall not limit the role of the~~
5 ~~electric or gas corporation that was cooperatively developed in the~~
6 ~~energy management plan~~ *districts*. The governing boards of local
7 publicly owned utilities and rural electric cooperatives shall
8 encourage joint participation with local agencies and gas
9 corporations in developing, implementing, and administering viable
10 energy management plans for districts.

11 (e) If an energy management plan is prepared pursuant to this
12 chapter, it shall also address the development of projects that
13 provide greater certainty of energy costs over a period of up to 15
14 years for businesses developing in the district and shall consider
15 applying to the California Infrastructure and Economic
16 Development Bank for financial support of these projects.

17 (f) The Public Utilities Commission may offer technical
18 assistance in the preparation of the energy management plans
19 developed and implemented pursuant to this chapter, including,
20 but not limited to, identifying best practices, innovations in
21 technology, and potential funding sources.